MOVING COSTS

A TRANSPORTATION FUNDING GUIDE FOR THE SAN FRANCISCO BAY AREA

Where Money Comes From
How It Is Spent • Summary of Major Funding Categories

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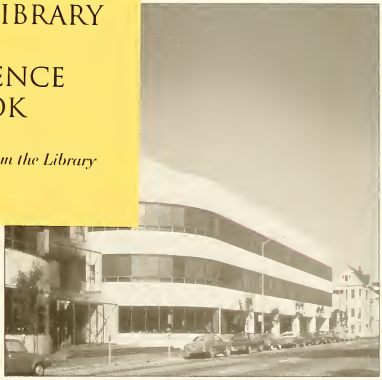


MTC offices at the Joseph P. Bort MetroCenter in Oakland

JANUARY 1999

Most of the money used for transportation projects is generated from taxpayers like you who pay fuel, sales and other taxes and fees, which then go to local, state and federal funding pots.

Do you have an idea for a transportation project, but don't know whether it would qualify for funding? Did you ever wonder what those state gas taxes collected every time you fill up at the pump actually pay for? What can you do to ensure that the project you support is fully funded?

Anyone who has been involved in the transportation arena knows how Byzantine the funding process can be. Besides the alphabet soup of funding programs and categories, there is the seemingly endless maze of approval stages for funding a project. Whether you support or oppose a transportation project, you need a crash course in "Transportation Funding 101" just to understand the many twists and turns of the process.

The Metropolitan Transportation Commission, or MTC, is the transportation planning and financing agency for the nine-county San Francisco Bay Area. Created by the California Legislature in 1970 to develop a long-range regional transportation plan, MTC also has considerable duties with respect to funding transportation projects. These include voting to allocate and keeping accurate financial records for more than $1 billion every year in funding for Bay Area mass transit, toll bridges, local streets and roads, highways, freight facilities, and bicycle and pedestrian routes.

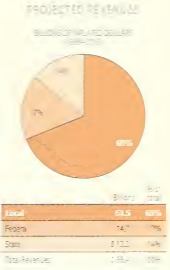
MTC is providing this guide in an effort to answer basic questions about transportation finance, and provide information for citizens who want to be involved in transportation funding decisions (for general information on MTC and Bay Area transportation, refer to our Citizens' Guide to MTC. *See page 16 for further information).* *In these pages, you will find a comprehensive overview of the San Francisco Bay Area transportation funding process — including where the money comes from, and what it can be used for — as well as suggestions for effective public participation in the funding process.*

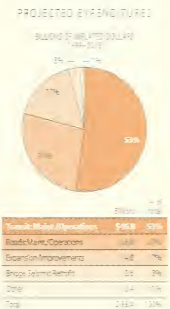
Where Does the Money Come From and How Is It Spent?

Each year, the public contributes almost $4 billion to operate, maintain and improve the Bay Area's transportation system. Over the next two decades, some $88 billion is expected to flow to the region from local, state and federal funding sources. Most of the money used for transportation projects is generated from taxpayers like you who pay fuel, sales and other taxes and fees, which then go to local, state and federal funding pots.

As depicted in the pie charts at right from MTC's 1998 *Regional Transportation Plan* (RTP) — a 20-year investment blueprint for Bay Area transportation — local funds account for roughly two-thirds of all transportation revenues in the Bay Area. Much of these funds are needed just to cover the costs of system maintenance and day-to-day operation of the existing public transit network.

While funds from federal, state and local sources support a wide variety of programs and projects, each source also has its own primary function:





Federal

The majority of federal transportation funding is used for capital projects, such as new highway and rail construction, and for specific projects earmarked by Congress.

State

State funds are used for new capital projects as well, but also cover maintenance costs, like street and highway resurfacing. A much smaller portion covers operational costs, such as paying the salaries of bus drivers and mechanics. In addition, state funds are used as matching funds for federal projects.

Local

Local funds — by far the largest piece of the funding pie — are used for both capital and operating purposes, as well as to match federal and state sources. A substantial portion of local funding is linked to voter-approved measures with detailed plans for spending the money on specified projects.

Transportation funds are divided into myriad funding programs at the federal, state and local government levels. Each program is handled differently, depending upon its size, the eligible uses, and who is making the spending decisions. Sound complicated? It can be tricky. Listed on the following pages are the major transportation funding categories, along with details on the size, the eligible uses, who can apply for the funds and who decides which projects will receive funding.

Federal Funding Categories

Category	Approximate Annual Funding (Bay Area)	Eligible Uses	Who can claim the money?	Who decides which projects get the money?
Federal Transit Act Section 5307 — Formula Funds	$148 million	• Purchase of buses, trains, ferries, vans and support equipment • Americans With Disabilities Act-required paratransit service	Public transit operators	MTC for larger urbanized areas; State Department of Transportation (Caltrans) for areas below 200,000 population
Federal Transit Act Section 5309 — Fixed Guideway	$71 million	Purchase of rail cars and equipment	Public transit operators	MTC
Federal Transit Act Section 5309 — Bus	Discretionary — varies annually	Purchase of buses and improvements to bus facilities	Public transit operators	Congress
Federal Transit Act Section 5309 — New Rail Starts	Discretionary — varies annually	New rail systems and line extensions	Public transit operators	Congress
Federal Transit Act Section 5310 — Elderly and Disabled	$1 million	Purchase of paratransit vans and related equipment	Nonprofit agencies, public agencies	California Transportation Commission (CTC)
Federal Transit Act Section 5311 — Rural Intercity	$300,000	Purchase of buses and related equipment, and bus operations in rural areas	Public agencies — local governments, American Indian tribes, nonprofit agencies	MTC
Surface Transportation Program (STP)	$57 million	• Roadway or transit rehabilitation • Transportation system operational improvements • Highway construction • Transit facilities • Intermodal port facilities	Public agencies — cities, counties, transit operators, Caltrans	MTC
Congestion Mitigation and Air Quality Improvement Program (CMAQ)	$40 million	Transportation projects that improve air quality	Public agencies — cities, counties, transit operators, Caltrans	MTC
Transportation Enhancement Activities (TEA)	$8 million	Bicycle, pedestrian, transit, landscaping, public art or historic projects linked to transportation	Public agencies — cities, counties, transit operators, Caltrans	MTC and County Congestion Management Agencies (CTC for statewide projects)
Transit Enhancements	$2 million	Access for disabled persons, historic preservation, bus shelters, landscaping, bicycle/pedestrian facilities	Public transit operators	Public transit operators

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Federal Funding Categories

Category	Approximate Annual Funding (Bay Area)	Eligible Uses	Who can claim the money?	Who decides which projects get the money?
Access to Jobs and Reverse Commute Program	Discretionary — varies annually	Projects and services designed to transport low-income persons to work; projects to move people to suburban job centers	Local governments, metropolitan planning organizations, transit operators and non-profit organizations	U.S. Department of Transportation (DOT)
Federal Demonstration Projects	$188 million earmarked for various Bay Area projects for fiscal years 1998-2003	Transportation projects of special importance to members of Congress	Public agencies — cities, counties, transit operators, Caltrans	Congress
Transportation for Livable Communities (TLC)	$5 million	Bicycle, pedestrian, transit or other projects that enhance community vitality, including planning studies	Public agencies — cities, counties, transit operators; also non-profit organizations	MTC
Transportation Community and System Preservation Pilot Program	Discretionary — varies annually	Transit-oriented development projects, traffic-calming measures, other projects to reduce need for future infrastructure investments	State and local governments, metropolitan planning organizations	U.S. DOT
Clean Fuel Bus Program	Discretionary — varies annually	Purchase or leasing of clean fuel buses and facilities, upgrade of existing facilities for clean fuel buses	Public transit operators	Congress
Interstate Discretionary	Discretionary — varies annually	Interstate maintenance and reconstruction projects	Caltrans	U.S. DOT
Hazard Elimination Safety Program	Discretionary — varies annually	Safety projects on public roads and highways (signals, median barriers, guard rails, lighting)	Public agencies — cities and counties	Caltrans
Railroad/Highway Grade Crossing Protection Program (Title 23, Section 130, U.S. Code)	Discretionary — varies annually	Rail/roadway grade crossings (signals, gates, surfacing)	Public agencies — cities and counties	Caltrans
Emergency Relief	Discretionary — varies annually	Damage repair for federal-aid highways in federally declared disaster areas	Public agencies — cities and counties	U.S. DOT
Highway Bridge Replacement and Rehabilitation Program	$14 million	Replacement or rehabilitation of roadway bridges	Caltrans, cities and counties	Caltrans
Ferry Boats	Discretionary — varies annually	Purchase of ferry boats, construction of terminal facilities	Public agencies	U.S. DOT

State Funding Categories

Category	Approximate Annual Funding (Bay Area)	Eligible Uses	Who can claim the money?	Who decides which projects get the money?
Regional Improvement Program	$110 million	• Construction of carpool lanes • Freeway interchanges • Rail extensions • Rail grade separations • Intermodal freight facilities • Upgraded transit stations and vehicles • Road rehabilitation	Public agencies cities, counties, transit operators, Caltrans	MTC
Interregional Improvement Program	Discretionary varies annually	Intercity rail, interregional road or rail expansion projects outside urban areas or projects of statewide significance	Public agencies cities, counties, transit operators, Caltrans	California Transportation Commission
State Transit Assistance—Revenue Based	$27 million	Transit and paratransit operating assistance, regional transit coordination	Public transit operators	Transit operators
State Transit Assistance—Population Based	$10 million	Transit and paratransit operating assistance, capital projects, and regional transit coordination	Public transit operators, MTC	Transit operators, MTC
State Highway Operations and Protection Program (SHOPP)	$50 million	State highway rehabilitation projects	Caltrans	Caltrans
Environmental Enhancement and Mitigation Program	$3 million	Landscaping and environmental projects that exceed mitigation requirements for traditional transportation projects	Cities, counties or nonprofit agencies	California Transportation Commission
Petroleum Violation Escrow Account (PVEA)	Discretionary varies annually	Projects that conserve energy (public transit, ridesharing), or provide restitution to the public as a result of oil price overcharges	Public agencies Caltrans, cities, counties, transit operators	California Legislature
Railroad/Highway Grade Separation Program	Discretionary varies annually	Grade separations of roadways from railroad tracks	Public transit operators, cities, counties	Caltrans
Bicycle Transportation Account	Discretionary varies annually	Bicycle path, lane or route construction and maintenance; lockers; racks on transit vehicles; planning; safety education	Cities and counties with approved bicycle plans	Caltrans

Local Funding Categories

Category	Approximate Annual Funding (Bay Area)	Eligible Uses	Who can claim the money?	Who decides which projects get the money?
Gas Tax Subventions	$130 million	Local street and road maintenance and rehabilitation	Cities and counties	Cities and counties
Transportation Development Act (TDA) Articles 4 and 8 (1/4-cent sales tax)	$223 million	Transit operating assistance and capital projects; if there are no unmet transit needs, then local street and road maintenance and rehabilitation projects are eligible	Public transit operators; cities and counties	MTC
TDA Article 4.5	$11 million	Paratransit operating assistance and capital projects	Cities and counties	MTC
TDA Article 3	$6 million	Bicycle and pedestrian facilities, safety programs, planning	Cities and counties	MTC
Bridge Tolls (Base toll, state-owned bridges)	$135 million	• Maintenance and operation of state-owned toll bridges (not the Golden Gate) • Voter-approved Regional Measure One projects to relieve traffic congestion in bridge corridors (bridge, highway and rail transit improvements) • Ferry operations and improvements • Transit services • Bicycle and pedestrian routes	Caltrans, cities, counties, public transit operators, Association of Bay Area Governments	MTC
Bridge Toll Seismic Retrofit Surcharge (New $1 surcharge on state-owned bridges)	$115 million	Earthquake retrofit of state-owned Bay Area toll bridges and traffic mitigation projects related to retrofit work	Caltrans	Caltrans
Golden Gate Bridge Tolls	$59 million	Maintenance, rehabilitation and operation of the Golden Gate Bridge, capital and operating costs for Golden Gate Transit buses and ferries	Golden Gate Bridge, Highway and Transportation District	Golden Gate Bridge, Highway and Transportation District
Transportation Fund for Clean Air (TFCA) $4 Vehicle Registration Fee	$20 million	Ridesharing, clean fuel buses, alternative fuel vehicle demonstrations, shuttles, traffic management, rail/bus integration, regional transit information, bicycle programs, implementation of smoking vehicle program	Public agencies — public transit agencies, MTC, cities, counties, school districts, Caltrans	Bay Area Air Quality Management District (60%); County Congestion Management Agencies (40%)

Local Funding Categories

Category	Approximate Annual Funding (Bay Area)	Eligible Uses	Who can claim the money?	Who decides which projects get the money?
SAFE (Service Authority for Freeways and Expressways) $1 Vehicle Registration Fee	$5 million	Motorist-aid call box installation, maintenance, dispatcher charges; also used for related motorist-aid programs, such as Freeway Service Patrols	MTC	MTC
AB 1107 Permanent 1/2¢ Sales Tax for Transit in Alameda, San Francisco and Contra Costa Counties	$151 million	BART, AC Transit and San Francisco Muni transit capital and operations	BART (75%), AC Transit, San Francisco Muni and BART (25%)	BART (75%) MTC (25%)
Santa Clara County Permanent 1/2¢ Sales Tax for Transit	$147 million	Transit capital and operations	Santa Clara Valley Transportation Authority	Santa Clara Valley Transportation Authority
San Mateo County Permanent 1/2¢ Sales Tax for Transit	$52 million	Transit capital and operations	SamTrans, Peninsula Corridor Joint Powers Board (Caltrain)	San Mateo County Transportation Authority
Alameda County Measure B (expires 2002) 1/2¢ Sales Tax	$82 million	19% to local streets and roads, 11.6% to AC Transit, 1.5% to paratransit; balance to capital highway improvements	Caltrans, county, cities, BART, AC Transit	Voter-approved program administered by the Alameda County Transportation Authority
Contra Costa County Measure C (expires 2008) 1/2¢ Sales Tax	$53 million	41% to highways, 28% to transit, 0.4% to trails, and 30% to other programs	County, cities, BART, Caltrans	Voter-approved program administered by the Contra Costa Transportation Authority
San Francisco City/County Proposition B (expires 2009) 1/2¢ Sales Tax	$60 million	60% to transit, 30% to streets & traffic safety, 8% to paratransit, and 2% to transportation system management	Muni, departments of public works, public transportation, parking and traffic, and city planning	Voter-approved program administered by the San Francisco County Transportation Authority
San Mateo County Measure A (expires 2008) 1/2¢ Sales Tax	$52 million	20% to local agencies, 0.7% to transportation system management, 0.01% to bike projects; remainder to transit and roads as specified in ballot measure; also establishes trust fund for paratransit	SamTrans, Peninsula Corridor (Caltrain) Joint Powers Board, county, cities	Voter-approved program administered by the San Mateo County Transportation Authority
Santa Clara County Measure B (expires 2006) 1/2¢ Sales Tax	$ 147 million	General tax with advisory measure (Measure A) listing highway improvements, light-rail extensions, Caltrain upgrades, commuter rail, local street and road rehabilitation, bicycle lane improvements	Santa Clara Valley Transportation Authority, county, cities	Santa Clara County Board of Supervisors

Local Funding Categories				
Category	Approximate Annual Funding (Bay Area)	Eligible Uses	Who can claim the money?	Who decides which projects get the money?
Transit Fares	$370 million	Transit operations and capital projects	Transit operators	Transit operators
BART Property Tax	$53 million	Repayment of loans; and for BART operations, maintenance and capital improvements	BART	BART
AC Transit Property Tax	$35 million	AC Transit operations, maintenance and capital improvements	AC Transit	AC Transit
Developer Impact Fees	Varies, based on local government assessments	Cost to local government of new development, including roads, sidewalks, sewers, utilities	Local governments	Local governments

Influencing Funding Decisions

A billion here, a billion there and soon you're talking real money.

— U.S. Senator Everett Dirksen

Most citizens who feel strongly about a project should be involved right at the outset, when they can have the most impact.

Whether you agree with the late U.S. Senator from Illinois about what constitutes "real money," rest assured that it takes considerable sums of it — in the multi-million or even billion dollar range more often than not — to build a transportation project. So how do you tap into the sources outlined in the preceding chart for a particular project?

In the transportation lexicon, the means of linking projects with funding is known as "programming." In this way, dollars are committed to projects under a set schedule. Mother Nature has her seasons, and the transportation funding realm has its cycles. Generally, programming covers a period of several years (longer for the more complex projects), while funds are actually "allocated" to projects — meaning money is released for use by project sponsors — on an annual basis. Many funds have "use it or lose it" restrictions. This means that once funds are allocated, a project sponsor must "obligate" them (put their projects under contract) within a specified time period (three years, for example) or lose the money. For larger projects, sponsors frequently must dip into multiple funding sources in order to secure enough funding to build their project. And often, larger projects are built in several phases, so funding is allocated accordingly.

How and when can a project sponsor or interested citizen influence decision-makers? Most citizens who feel strongly about a project should be involved right at the outset, when they can have the most impact in shaping a project from its inception.

The best place for public input to begin is at the project definition or project review stage, usually at the local government level. This can involve meeting with staff and testifying at a city council, transit agency board, county board of supervisors, or county congestion management agency meeting — all of which are open to the public. MTC also holds regular public meetings at later funding stages of a project, which members of the public can attend and give comments on projects being discussed. During the development of MTC's major programming and planning documents, public hearings are held throughout the region to ensure that public concerns are heard.

When you get right down to it, there are really four key methods for making transportation investment decisions in the Bay Area: three that directly involve MTC, and one that takes place at the county level. Following is a brief description of each.

1. The TIP

The federally required *Transportation Improvement Program,* or TIP, is a comprehensive listing of every transportation project that receives even a penny of federal funds or that is subject to a federally required action, such as a review for its impact on air quality. MTC prepares and adopts the TIP every two years, with help from local governments, public transit operators and Caltrans (the state Department of Transportation). It covers a three-year period.

Central to developing the TIP is MTC's process for deciding how best to invest "flexible" federal dollars — meaning those funds that can be used on a variety of transportation needs, be they local streets, rail extensions, a new freeway interchange or bicycle and pedestrian routes. To develop a plan for spending funds in the federal Surface Transportation Program (STP) and Congestion Mitigation and Air Quality Improvement Program (CMAQ), MTC works closely with local partner agencies and advisory committees to develop regional priorities.

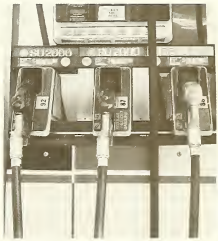
MTC has adopted a policy to use these moneys in a way that complements programming of state funds and to give priority to preservation and more efficient operation of the existing transportation system. MTC's policy also calls for funding projects that would not be eligible for other funding sources, such as small-scale, community-oriented development linking land use and transportation.

The TIP also includes federal funds that return to the region by statutory formula for transit capital and, in very limited instances, operating purposes. These funds constitute a baseline of revenue for transit operators, who are also able to compete for other discretionary funds.

2. The STIP

The *State Transportation Improvement Program,* or STIP, is a blueprint for spending available federal and state funds reserved primarily for projects that increase the capacity of transportation systems throughout California. It is updated every two years and covers a period of four years.

The bulk (75 percent) of the STIP consists of spending programs developed at the regional level throughout California, called *Regional Transportation Improvement Programs* (RTIPs). The California Transportation Commission (CTC), a state-level panel appointed by the governor, releases a Fund Estimate telling each region how much money it can expect to receive from various sources. This estimate is guided by statutory requirements that direct how the funds are divided up throughout the state.



Catalina Alvarado

Though they have not kept pace with inflation, fuel taxes are a key source of transportation revenue.

Working from the CTC's estimate, MTC prepares the Bay Area's RTIP based on its adopted *Regional Transportation Plan* (see page 1), on priorities established by county congestion management agencies, and on comments from interested citizens and project sponsors. In developing the RTIP, MTC works closely with an

organization known as the Bay Area Partnership, a group of major transit agencies, congestion management agencies, cities, ports, and other regional, state and federal transportation and environmental protection agencies.

Once MTC adopts the RTIP, it is forwarded to the CTC. In turn, the CTC must accept the RTIP or reject it in its entirety and send it back to the region for revision. Meanwhile, Caltrans proposes another element of the STIP for the CTC to adopt, known as the *Interregional Transportation Improvement Program*, or ITIP. The ITIP comprises the remaining 25 percent of STIP funding. It is intended to address transportation infrastructure needs that cross metropolitan boundaries and link the state's transportation system — for example, intercity rail, interregional highways and the like.

Ethan Michaels

Local transportation sales taxes play an increasingly important role in transportation finance.

3. MTC Allocations

Another process where certain transportation projects or programs receive funds is through MTC allocations, which are usually granted on an annual basis. MTC administers and allocates State Transit Assistance and local Transportation Development Act funds for public transit agencies (some of the TDA funding also goes to bicycle/pedestrian projects and local streets and roads). Transit operators and other project sponsors submit claims for these funds, which MTC reviews, and then votes to allocate the money according to statute. Similarly, MTC allocates toll revenues from state-owned toll bridges for general upkeep of the structures as well as for new capital projects in the bridge corridors under the voter-approved Regional Measure 1 program. Finally, MTC allocates a portion (25 percent) of a permanent half-cent sales tax measure for the three BART counties (Alameda, Contra Costa and San Francisco), referred to as "AB 1107" funding. AC Transit, San Francisco Muni and BART are eligible to receive these funds. (BART keeps the remaining 75 percent of these funds for its own operations).

4. County Sales Tax Expenditure Plans

The AB 1107 revenues mentioned above, authorized under 1977 legislation to make permanent a temporary half-cent sales tax imposed for BART in 1970, launched a trend toward local self-sufficiency in the transportation finance arena. Close on the heels of AB 1107, Santa Clara and San Mateo counties each passed permanent half-cent sales taxes for public transit. The bulk of these revenues go to transit operations and maintenance, but the money can be used for capital improvements.

By 1984, in another major leap for local initiative, voters in Santa Clara County approved Measure A. The first temporary county-level half-cent sales tax, Measure A financed a package of major highway improvements in the county over 10 years. Since then, 16 other counties in the state — commonly referred to as "self-help" counties — have approved similar measures. How-

ever, subsequent measures typically finance both highway improvements as well as transit capital improvements and operations over a number of years (usually 15 or 20).

Prior to placing a proposal before voters, county officials develop detailed plans for spending the potential new revenue. The projects often need state and federal funding to complement the local contribution. These plans face tough scrutiny by cities, counties, transit agencies and interested citizens within the jurisdiction. An agency with a governing board (typically local elected city and county officials) is designated to administer the program and allocate the funds (often the county congestion management agency or transportation authority).

MTC's Advocacy Role

Despite the considerable sums of money — some $4 billion annually — spent in the various programming and allocation exercises mentioned above, the region still faces significant funding shortfalls over the coming decades. To close these funding shortfalls, MTC has taken a three-pronged approach:

1. squeeze more efficiency out of existing dollars;
2. make existing funding more flexible; and
3. seek new revenues for transportation projects.

The first strategy involves not only ensuring that transportation projects are delivered on time and on budget, but also increasing investment in programs such as roving tow truck patrols and signal timing that speed traffic flow at much lower cost than major road expansions.

Equally important is ensuring that the limited dollars coming into the region are as flexible as possible to meet the Bay Area's diverse transportation needs. MTC worked toward this end by advocating for the reauthorization of federal surface transportation law (known as TEA 21, or the Transportation Equity Act for the 21st Century) and reform of California's *State Transportation Improvement Program* (STIP) process in order to preserve and enhance the funding flexibility essential to an efficient and effective transportation system.

To seek new revenue for transportation projects, MTC successfully sponsored state legislation in 1997 that will allow voters to consider imposing a regional gas tax of up to 10 cents per gallon to fund improvements to the Bay Area transportation system. A regionwide election on this measure could take place in 2000, or sometime thereafter.

All of these efforts help to ensure that the Bay Area will enter the next century with an effective transportation system. As MTC advocates in Sacramento and Washington on these issues, the continued support of Bay Area residents and organizations — public and private — will be a key factor in achieving our goals.

Local Sales Taxes At a Glance

Santa Clara County voters in 1996 approved an extension of its sales tax measure, this time called Measure B, which was recently validated by the courts. Listed below are the expiration dates for the five temporary county sales taxes for transportation in the Bay Area:

Alameda	2002
Santa Clara	2006
Contra Costa	2008
San Mateo	2008
San Francisco	2009

Citizens' Guide to "Transportation Financese"

We've tried in this guide to spare readers as much jargon as possible. Inevitably in the transportation arena — particularly where funding is involved — confusing lingo will cloud communication. For that we apologize and hope that one day "transportation financese" will be a forgotten dialect. Until that day, interested citizens can make use of the following glossary of acronyms and terms.

AB 1107 1977 state legislation to make permanent a temporary half-cent sales tax imposed in Alameda, Contra Costa and San Francisco counties for BART in 1970. Funds are used for BART, San Francisco Muni and AC Transit capital improvements and operations.

Allocate The process used to release funding to sponsors of a previously approved transportation project. MTC votes to allocate funds to projects that are included in the STIP and/or TIP.

Appropriate An act by the State Legislature or Congress to provide budgeted funds to programs that have been previously authorized by other legislation. The amount of funding appropriated may be less than what was authorized.

Article XIX Restriction This provision in the California Constitution limits the use of state gasoline tax revenues to projects related to roadway (including bicycle and pedestrian projects) or fixed guideway (rail or trolley coach) improvements.

Authorize An act by Congress that creates the policy and structure of a program, including formulas and guidelines for awarding funds. Authorizing legislation (such as TEA 21) may set an upper limit on program spending or may be open ended. Revenues to be spent under an authorization must be appropriated by separate legislation.

Bay Area Partnership Often referred to as simply "The Partnership," this is a confederation of the top staff of various transportation agencies in the region (MTC, public transit operators, county CMAs, city and county public works departments, ports, caltrans, U.S. DOT) as well as environmental protection agencies (the BAAQMD, EPA). The Partnership works by consensus to improve the overall efficiency and operation of the Bay Area's transportation network, including developing strategies for financing transportation improvements.

Caltrans *California Department of Transportation:* The state agency responsible for building, maintaining and operating state highways and certain intercity rail services, among other things.

Capital Funds Funding dedicated to new projects or projects to expand the capacity of the transportation system, including freeway widenings, rail extensions, transit station improvements, new bicycle and pedestrian lanes, and so forth. (Also see "operating funds".)

CMA *Congestion Management Agency:* A countywide agency responsible for preparing and implementing a county's Congestion Management Program. CMAs came into existence as a result of state legislation and voters' approval of Prop. 111 in 1990. Subsequent legislation made optional the requirement for counties to have a CMA. Most Bay Area counties have them.

CMAQ *Congestion Mitigation and Air Quality Improvement Program:* A pot of federal money contained in TEA 21 for projects and activities that reduce congestion and improve air quality.

County Minimums A formula in state law that requires a minimum return of STIP revenues to counties based on population and state highway miles.

CTC *California Transportation Commission:* A state-level version of MTC that sets state spending priorities for highways and transit and allocates funds. Its nine members are appointed by the governor.

Expenditure In transportation terms, this is any allowable expense associated with a project or program.

Farebox The revenues collected by transit operators from passenger fares.

FHWA *Federal Highway Administration:* See U.S. DOT.

Flexible Funding Unlike funding that flows only to highways or only to transit by a rigid formula, this is money that can be invested on a range of transportation projects. Examples of flexible funding categories include the STP, CMAQ and RIP programs.

FTA *Federal Transit Administration:* See U.S. DOT.

FY *Fiscal Year:* Annual schedule for keeping financial records and for budgeting transportation funds. California's fiscal year runs from July 1 through June 30, while the federal fiscal year runs from Oct. 1 through Sept. 30.

IIP *Interregional Improvement Program:* A state funding category created in SB 45 for intercity rail, interregional road or rail expansion projects outside urban areas, or projects of statewide significance. IIP moneys become part of a funding program known as the ITIP (see below).

Intermodal A mode is a particular form of transportation, such as automobile, transit, ship, bicycle and walking. Intermodal refers specifically to the connections between modes.

ISTEA *Intermodal Surface Transportation Efficiency Act:* Federal transportation legislation that expired in 1997. ISTEA emphasized diversity and balance of modes, as well as the preservation of existing systems before construction of new facilities. Much of ISTEA's program structure is carried forward in new federal legislation (see TEA 21).

ITIP *Interregional Transportation Improvement Program:* A state funding program for IIP funds. Caltrans nominates and the CTC approves a listing of interregional highway and rail projects for 25 percent of the funds to be programmed in the STIP (the other 75 percent are RIP funds).

MPO *Metropolitan Planning Organization:* A federally required planning body responsible for the transportation planning and project selection in its region; the governor designates an MPO in every urbanized area with a population of over 50,000 people. MTC is the Bay Area's MPO.

MTC *Metropolitan Transportation Commission:* The transportation planning, financing and coordinating agency for the nine counties that touch San Francisco Bay.

Multimodal Refers to the availability of multiple transportation options, especially within a system or corridor. A multimodal approach to transportation planning focuses on the most efficient way of getting people or goods from place to place, be it by truck, train, bicycle, automobile, airplane, bus, boat, foot or even a computer modem.

NHS *National Highway System:* This approximately 160,000-mile network consists of the 42,500 miles of the Interstate system, plus other key roads and arterials throughout the United States. Designated by Congress in 1995 pursuant to a requirement of the Intermodal Surface Transportation Efficiency Act, the NHS is designed to provide an interconnected system of principal routes to serve major travel destinations and population centers. The NHS is also a funding category in TEA 21.

North/South Split A requirement in state law governing how STIP funds are divided within California, with 60 percent of funds going to the South and 40 percent of the funds going to the North.

Obligate The way project sponsors spend money, typically by putting their project under contract for construction. Often funding programs come with restrictions that require a project sponsor to obligate funds in a timely manner or lose the funds.

Operating Funds Moneys used to fund general, day-to-day costs of running transportation systems. For transit, costs include fuel, salaries and replacement parts; for roads, operating costs involve maintaining pavement, filling potholes, paying workers' salaries, and so forth. (Also see "Capital Funds.")

Program 1. *verb:* to assign funds to a project that has been approved by MTC, the state or other agency. 2. *noun:* a system of funding for implementing transportation projects or policies, such as through the State Transportation Improvement Program (see STIP).

Return to Source A requirement with some funding programs (such as TDA) that the money flow back to the county where it originated from tax revenues.

RIP *Regional Improvement Program:* State funding category created by SB 45 that can be used for a variety of projects, including for freeways, carpool lanes, rail lines, transit stations and road rehabilitation. RIP funds become part of a funding program known as the RTIP (see below).

RM1 *Regional Measure One:* 1988 ballot measure approved by Bay Area voters to raise tolls on all state-owned toll bridges (that is, every toll bridge in the region except the Golden Gate) to $1 in order to fund a number of bridge improvements and congestion-relief projects in congested bridge corridors.

RTIP *Regional Transportation Improvement Program:* State funding program that includes RIP funds, which make up 75 percent of the funds available for programming in the STIP. RTPAs prepare the RTIP consistent with the RTP to reflect priorities identified by county CMAs, project sponsors and members of the public. The CTC must approve the entire RTIP list or reject it in its entirety. Once the CTC approves an RTIP, it is combined with those from other regions to become part of the STIP (see below).

RTP *Regional Transportation Plan:* A blueprint to guide the region's transportation development for a 20-year period. Updated every two years, it is based on projections of growth and travel demand coupled with financial projections. Required by state and federal law.

RTPA *Regional Transportation Planning Agency:* A state-designated agency responsible for preparing the Regional Transportation Plan and the Regional Transportation Improvement Program, administering state funds, and other tasks. MTC is the Bay Area's RTPA.

SAFE *Service Authority for Freeways and Expressways:* Regional government entity (in the Bay Area, MTC) authorized under 1987 state legislation to install and operate a network of roadside call boxes to aid stranded motorists along state highways. SAFEs are funded through a $1 surcharge on motor vehicle registrations.

SB 45 *Senate Bill 45:* 1997 state legislation that streamlined the STIP and transferred from the state to metropolitan regions more authority in deciding how to invest transportation funds.

Self-Help Counties A term used to describe counties that have taken the initiative to supplement available state and federal funds by enacting local voter-approved funding mechanisms — such as half-cent sales taxes — to pay for transportation improvements. In the Bay Area, five counties have passed such measures: Alameda, Contra Costa, San Francisco, San Mateo and Santa Clara.

SHOPP *State Highway Operations and Protection Program:* State funding category used by Caltrans to maintain and operate state highways.

STA *State Transit Assistance:* State funding program for mass transit operations and capital projects.

State-Owned Toll Bridges Those toll bridges owned and operated by the state of California. There are nine such spans in the state, seven of which are in the Bay Area: the Benicia-Martinez Bridge, the Carquinez Bridge, the Dumbarton Bridge, the Pittsburg-Antioch Bridge, the Richmond-San Rafael Bridge, San Francisco-Oakland Bay Bridge and the San Mateo-Hayward Bridge. Contrast these to the Golden Gate Bridge, which is locally owned and operated by the Golden Gate Bridge, Highway and Transportation District.

STIP *State Transportation Improvement Program:* What the CTC ends up with after combining various RTIPs from around the state and adding Caltrans' proposed ITIP. Covering a four-year span and updated every two years (except for the 1998 STIP, which covers six years), the STIP determines when and if transportation projects will be funded by the state.

STP *Surface Transportation Program:* One of the key funding programs in TEA 21. STP monies are "flexible," meaning they can be spent on mass transit, pedestrian and bicycle facilities as well as on roads and highways.

TEA *Transportation Enhancement Activities:* A TEA-21 funding category. Ten percent of STP monies must be set aside for projects that enhance the compatibility of transportation facilities with their surroundings. Examples of TEA projects include bicycle and pedestrian paths, restoration of rail depots or other historic transportation facilities, acquisition of scenic or open space lands next to travel corridors, and murals or other public art projects. (Also see Transit Enhancements.)

TDA *Transportation Development Act:* State law enacted in 1971. TDA funds are generated from a tax of one-quarter of one percent on all retail sales in each county; used for transit, special transit for disabled persons, and bicycle and pedestrian purposes, they are collected by the state and allocated (by MTC in the Bay Area) to fund transit operations and programs. In non-urban areas, TDA funds may be used for streets and roads under certain conditions (see Unmet Transit Needs Findings).

TEA-21 *Transportation Equity Act for the 21st Century:* Passed by Congress in May 1998, this federal transportation legislation retains and expands many of the programs created in 1991 under ISTEA. Reauthorizes federal surface transportation programs for six years (1998-2003), and significantly increases overall funding for transportation.

TFCA *Transportation Fund for Clean Air:* Created under 1991 legislation that authorized the BAAQMD to impose a $4 annual surcharge on motor vehicle registrations. Sixty percent of the funds are allocated by the BAAQMD, and 40 percent by county-level CMAs or designated agencies, for projects that contribute to improved air quality in the Bay Area.

TIP *Transportation Improvement Program:* This is the primary spending plan for federal funding expected to flow to the region from all sources for transportation projects of all types. MTC prepares the TIP every two years with the assistance of local governments, transit operators and Caltrans. It covers a three-year period.

TLC *Transportation for Livable Communities:* New funding program created by MTC in 1998 to fund small-scale, community- and transit-oriented projects.

Transit Enhancements A new requirement in TEA 21's transit funding program designed to enhance the travel experience for public transit riders. Eligible projects include bus shelters, increased access by persons with disabilities, public art, rehabilitation and renovation of historic transit facilities and vehicles, landscaping, and bicycle and pedestrian access.

Unmet Transit Needs Findings Certain smaller counties may use TDA funds for local streets and roads only if the RTPA in their jurisdiction makes a finding that public transit service and operations in the county have no unmet needs. RTPAs must hold public hearings prior to making such a determination. In the Bay Area, these hearings are held annually in Napa, Solano and Sonoma counties.

U.S. DOT *United States Department of Transportation:* The federal agency responsible for highways, mass transit, aviation and ports and headed by the secretary of transportation. Includes the FHWA and the FTA, among others.

Need More Information?

For more information about MTC or transportation finance in the Bay Area, please call MTC Public Information, **510/464-7787.** If you wish to seek information via e-mail, send your query to **info@mtc.ca.gov,** or fax your request to the attention of MTC Public Information at **510/464-7848.** You may also visit our site on the Worldwide Web: **<http://www.mtc.ca.gov>.**

Relevant MTC Publications:

The MTC-ABAG Library also is a valuable source of information on transportation finance (telephone **510/464-7836**), and can provide you with copies of these and many other publications:

Citizens' Guide to MTC (general information on MTC)

Transactions (MTC's monthly newsletter)

1998 Regional Transportation Improvement Program

1998 Regional Transportation Plan

1999 Transportation Improvement Program

(Many of these publications also are available on MTC's Web site, see above)

Visiting Our Offices:

MTC offices are open 8 a.m. to 5 p.m. Monday through Friday (holidays excepted). Offices are housed in the Joseph P. Bort MetroCenter, located at Eighth and Oak streets in Oakland, and are easily accessible by public transit. The building is adjacent to the Lake Merritt BART station, and several AC Transit lines stop within a few blocks. The MetroCenter is easily accessible via Interstate 880 or Interstate 980. Both street and garage parking are available nearby.

Freeway exits:

- From I-880 northbound, Oak Street
- From I-980 southbound, Jackson Street

Valuable Contacts

Local Congestion Management and Sales Tax Agencies

agency	phone	FAX	e-mail	address
Alameda County Congestion Management Agency[2]	510/836-2560	510/836-2185	alacoma@aol.com	1333 Broadway Suite 220 Oakland, CA 94612
Alameda County Transportation Authority[1]	510/893-3347	510/893-6489	acta2002@aol.com	1401 Lakeside Drive Suite 600 Oakland, CA 94612-4305
Contra Costa Transportation Authority[1, 2]	925/938-3970	925/938-3993	ccta@ix.netcom.com	1340 Treat Boulevard Suite 150 Walnut Creek, CA 94596
Marin County Congestion Management Agency[2]	415/499-6570	415/499-3799	none	Public Works Department P.O. Box 4186 San Rafael, CA 94913-4186
Napa County Transportation Planning Agency[2]	707/259-8631	707/259-8638	mzdon@co.napa.ca.us	1804 Soscol Avenue Suite 200 Napa, CA 94559-1346
San Francisco County Transportation Authority[1, 2]	415/437-0179	415/522-4829	sfcta@thecity.sfsu.edu	100 Van Ness Avenue 25th Floor San Francisco, CA 94102
San Mateo City/County Association of Governments[2]	650/599-1406	650/637-1589	pw*rnapier@mail.co.sanmateo.ca.us	10 Twin Dolphin Drive Suite C-200 Redwood City, CA 94065-1065
San Mateo County Transportation Authority[1]	650/508-7950	650/508-6415	contrerasr@samtrans.com	1250 San Carlos Avenue P.O. Box 3006 San Carlos, CA 94070-1306
Santa Clara Valley Transportation Authority (VTA)[2, 3]	408/321-5725	408/321-5723	bennett_s@vta.org	3331 North First Street San Jose, CA 95134-1902
Solano Transportation Authority[2]	707/422-6491	707/438-0656	sam-sta@pacbell.net	333 Sunset Avenue Suite 200 Suisun City, CA 94585
Sonoma County Transportation Authority[2]	707/527-1943	707/527-1103	none	2550 Ventura Avenue Santa Rosa, CA 95404

[1] Administers county transportation sales tax program

[2] Serves as the county congestion management agency

[3] Santa Clara County's Measure B, a general tax, is administered by the Santa Clara County Board of Supervisors

Public Transit Agencies*				
	phone	FAX	e-mail	address
Alameda/Contra Costa Transit District (AC Transit)	510/891-4766	510/891-7230	www.ACTransit.dst.ca.us	1600 Franklin Street Oakland, CA 94612
Alameda/Oakland Ferry	510/272-1492	510/839-2793	esanchez@portOakland.com	530 Water Street, 3rd Floor Oakland, CA 94607
Altamont Commuter Express (ACE)	209/468-5600	209/468-5610	none	P.O. Box 31360 Stockton, CA 95213
Bay Area Rapid Transit District (BART)	510/464-6060	510/464-6009	www.BART.org	800 Madison Street Oakland, CA 94607
Caltrain/ Peninsula Corridor Joint Powers Board	650/508-7950	650/508-6415	contrerasr@samtrans.com	1250 San Carlos Avenue San Carlos, CA 94070-1306
Capitol Corridor Joint Powers Board	510/464-6990	510/464-6901	wfleish@bart.dst.ca.us	P.O. Box 12688 (LMA-2) 800 Madison Street Oakland, Ca 94607
Central Contra Costa Transit Authority (County Connection)	925/676-1976	925/687-7306	cccta@cccta.org	2477 Arnold Industrial Way Concord, CA 94520
Eastern Contra Costa Transit Authority (Tri Delta)	925/754-6622	925/757-2530	jkrieg@eccta.org	801 Wilbur Avenue Antioch, CA 94509
Fairfield/Suisun Transit	707/428-7590	707/426-3298	kdaughto@ci.fairfield.ca.us	City of Fairfield 1000 Webster Street Fairfield, CA 94533
Golden Gate Bridge, Highway and Transportation District	415/457-4548	415/457-2892	mcurrie@goldengate.org	P.O. Box 9000 Presidio Station San Francisco, CA 94129
Livermore/Amador Valley Transit Authority (Wheels)	925/455-7555	925/443-1375	mdufrene@lavta.org	1362 Rutan Court, Suite 100 Livermore, CA 94550
Napa Valley Transit/ The V.I.N.E. (Valley Intracity Neighborhood Express)	707/259-8637	707/259-8638	cdahlgre@cityofnapa.org	1804 Soscol Avenue Suite 200 Napa, CA 94559-1346
San Francisco Municipal Railway (Muni)	415/923-6212	415/923-6218	none	949 Presidio Avenue San Francisco, CA 94115
San Mateo County Transit District (SamTrans)	650/508-7950	650/508-6415	contrerasr@samtrans.com	1250 San Carlos Avenue San Carlos, CA 94070
Santa Clara Valley Transportation Authority (VTA)	408/321-5555	408/955-0893	none	3331 North First Street San Jose, CA 95134-1902
Santa Rosa CityBus	707/543-3325	707/543-3326	acantrell@ci.santa-rosa.ca.us	P.O. Box 1678 Santa Rosa, CA 95402-1678
Sonoma County Transit	707/585-7516	707/585-7713	none	355 W. Robles Avenue Santa Rosa, CA 95407
Vacaville City Coach	707/449-5330	707/449-5377	tkfry@citycoach.com	650 Merchant St. Vacaville, CA 95688
Vallejo Transit	707/648-4306	707/648-4691	none	City of Vallejo 555 Santa Clara Street Vallejo, CA 94590
Western Contra Costa Transit Authority (WestCAT)	510/724-3331	510/724-5551	westcat@ccnet.com	601 Walter Avenue Pinole, CA 94564

* For transit schedule and route information, call 817-1717 (except in area code 925, dial 510/817-1717), or visit <www.transitinfo.org> on the Internet.

Regional, State and Federal Agencies

agency	phone	FAX	e-mail	address
Bay Area Air Quality Management District	415/749-4665	415/749-4741	tfca@baaqmd.gov	939 Ellis Street San Francisco, CA 94109
California Dept. of Transportation (Caltrans) District 4	510/286-6444	510/286-6299	greg_bayol@dot.ca.gov	111 Grand Avenue P.O. Box 23660 Oakland, CA 94623-0660
California Transportation Commission	916/654-4245	916/653-2134	robert_chung@dot.ca.gov	1120 N Street Room 2221 (MS-52) Sacramento, CA 95814
Federal Highway Administration (California)	916/498-5001	916/498-5008	none	980 Ninth Street, Suite 400 Sacramento, CA 95814-2724
Federal Transit Administration (California)	415/744-3133	415/744-2726	none	201 Mission Street Suite 2210 San Francisco, CA 94105
Metropolitan Transportation Commission	510/464-7700	510/464-7848	info@mtc.ca.gov	Joseph P. Bort MetroCenter 101 Eighth Street Oakland, CA 94607-4700

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